The Indian Banks' Association has also formulated a "Model Code for collection of dues and repossession of security" which has been recommended to banks for adoption and implementation. As per the Model Code, banks commit to maintaining Dignity and Respect to customers in their Debt Collection Policy and not follow policies that are unduly coercive in collection of dues.

Reforms in Insurance sector

1410. SHRI VIJAY J. DARDA: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to introduce comprehensive reforms in Insurance sector;

(b) if so, what are the details of these reforms and whether this would amount to privatisation of entire sector; and

(c) whether Government are also willing to bring comprehensive legislation on Insurance sector, if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) Law Commission of India had examined the Insurance Act, 1938 and Insurance Regulatory and Development Authority (IRDA) Act, 1999 and submitted its 190th Report to the Government. The recommendations of the Law Commission cover *inter-alia* legal issues concerning repudiation of life insurance policies; nomination, assignment and transfer of policies; merger of IRDA Act, 1999 with Insurance Act, 1938; setting up of a grievance redressal authority, amendments to definitions and deletion of redundant provisions in the Insurance Act, 1938. On the recommendations of the Law Commission, IRDA constituted a committee of expert under Shri K.P. Narasimhan, former Chairman, LIC (KPN Committee) to examine issues relating to surveyors and loss assessors; investments; tariff; shareholders and policyholder's funds & extent of foreign shareholding etc. The Government has examined the recommendations of the Law Commission, the KPN Committee and the IRDA. Accordingly, a proposal to amend Insurance Laws is under consideration of the Government.